

February 5, 2002

Ms. Magalie Roman Salas  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> St., SW  
Washington, DC 20024

**Re: 47 CFR §1.1206(b)(2) Oral Ex Parte Presentation**

**Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, CC Docket No. 01-338.**

Ms. Salas:

On Wednesday, February 5, 2003, Mr. Michael Quigley, the President of Alcatel Americas, made an oral ex parte presentation via telephone to Commissioner Kevin J. Martin. In this conversation, Mr. Quigley and the Commissioner discussed the current network unbundling debate and the positions of various parties, including Alcatel. Quigley emphasized the importance of unbundling relief for incumbent local exchange carriers, particularly for their new investments in broadband capable networks. ILECs will be hesitant to invest in these new networks if these network elements are unbundled and leased to competitors at regulated rates. This disincentive will significantly impact the well being of telecommunications equipment manufacturers. Mr. Quigley and Commissioner Martin also discussed the distinct markets for broadband services, the availability of competitive alternatives for broadband services, and the impact these competitors can have in the Commission's analysis.

If you have any questions concerning this notice, please do not hesitate to contact me at 202-715-3709. Please date stamp the enclosed copy and return in the self-addressed stamped envelope. Thank you.

Sincerely,

/S/

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Paul W. Kenefick  
Senior Regulatory Counsel

cc: The Honorable Kevin J. Martin  
Daniel Gonzalez